

Meeting Minutes March 9, 2006

Town of Los Altos Hills City Council Regular Meeting

Thursday, March 9, 2006 6:00 P.M.

Town Hall Council Chambers, 26379 Fremont Road

1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

Mayor Kerr called the City Council Regular Meeting to order at 6:00 p.m. in the Council Chambers at Town Hall.

Present: Mayor Breene Kerr, Mayor Pro Tem Dean Warshawsky, Councilmember Craig A. T. Jones, Councilmember Jean Mordo and Councilmember Mike O'Malley

Absent: None

Staff: Acting City Manager/Planning Director Carl Cahill, City Attorney Steve Mattas, Administrative Services Director Sarah Ragsdale, Director of Public Works/City Engineer Henry Louie, Senior Planner Debbie Pedro and City Clerk Karen Jost

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by O'Malley and passed unanimously to limit the length of time for public comments to three minutes.

2. APPOINTMENTS AND PRESENTATIONS

2.1 Presentation of Sustainable Silicon Valley and the Partnership Process – Sally Tomlinson, Executive Director

Sally Tomlinson, Executive Director, Sustainable Silicon Valley thanked the Council for the opportunity to encourage them to join Sustainable Silicon Valley as a participating partner. She acknowledged the environmentally positive pro-active goals and policies that the Town had recently engaged including the high standards in energy conservation sought during the construction of the new Town Hall. Tomlinson reviewed the goals of Sustainable Silicon Valley (SSV) to reduce regional carbon dioxide emissions by 20% below the 1990 levels by 2010. She explained the requirements of becoming a pledging partner and the benefits the Town would receive by partnering with the organization that included education and information sharing; mentoring resources; and public recognition. Pledging Partners set their own voluntary reduction goal of carbon dioxide and choose their own baseline year; report their progress annually to the organization; and pay the annual membership dues of \$1,000.

Council thanked Tomlinson for her presentation and commended the SSV organization for providing regional leadership on this important environmental issue.

2.1.1 Consideration of the Town's Participation in Sustainable Silicon Valley as a Pledging Partner

Councilmember Jones offered that the goal requirements for partnership were voluntary and individual for each member. He suggested that SSV would be an excellent resource for the Town during the development of the Energy Initiatives Committee's energy efficiency proposals.

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by Mordo and passed unanimously to join Sustainable Silicon Valley as a pledging partner.

Mayor Kerr reorganized the agenda to permit Candice Kwok, representing the Santa Clara Valley Water District, to speak to Agenda Item 9.2.

2.2 Appointments to the Emergency Communications Committee

The City Clerk introduced this item to the Council. She reviewed the application process for Standing Committee members whose terms had expired and wished to be considered for re-appointment to their Committee for an additional term of four years. The Council had before them a roster of fourteen Emergency Communications Committee members whose terms had expired. All had expressed their interest in re-appointment to the Committee.

Mayor Pro Tem Warshawsky noted that it was a testament to the Committee and their important role in emergency preparedness that all members whose terms had expired were seeking reappointment.

MOTION SECONDED AND CARRIED: Moved by Warshawsky, seconded by Mordo and passed unanimously to appoint the following to the Emergency Communications Committee for a term of four years: Dru Anderson, Jim Abraham, Robert Anderson, Rick Ellinger, David Gilmour, Robert Hall, Scott Overstreet, David Pratt, Robert Smithwick, Maynard Stevenson and Sam Wood. The following Associate Members were appointed to four year terms: Peter Berman, Robert Lisbonne and Edward Radlo.

2.3 Appointment to the Parks and Recreation Committee

The Council had before them an application from Scott Vanderlip for consideration of appointment to the Parks and Recreation Committee.

MOTION SECONDED AND CARRIED: Moved by O'Malley, seconded by Warshawsky and passed unanimously to appoint Scott Vanderlip to the Parks and Recreation Committee for a term of four years.

City Attorney Steve Mattas requested Council consideration of adding an urgency item to the Closed Sessions for existing litigation/Campbell-Ligeti. He explained that information had come to his office after the meeting agenda had been posted.

MOTION SECONDED AND CARRIED: Moved by Warshawsky, seconded by Mordo and passed unanimously (5-0) to add as an urgency item: Closed Session: Conference with Legal Counsel-Existing Litigation: Campbell and Ligeti v. Town of Los Altos Hills.

3. PLANNING COMMISSION REPORT

3.1 Notification of Planning Commission Approval: Lands of Graham, 2344 Old Page Mill Road (#238-05-ZP-SD): Request for a Site Development Permit for a 682 square foot Addition; Major Remodel including 236 square feet added to the Second Story (no proposed change to the height of the building); Alterations to the Existing Driveway, and Request for a Minimum Setback of 10' from the top of Matadero Creek Bank (25' is the minimum per Section 10-2.702(e) of the Site Development Code.) CEQA Status-Categorically Exempt per 15301(e). Appeal Deadline: March 10, 2006

3.2 Notification of Planning Commission Approval: Lands of Goese, 13480 Wildcrest Drive (#254-05-ZP-SD): Request for a Site Development Permit and a Development Area Credit Pursuant to the Town's Development Area Policy for a 1,637 square foot Array of Free-Standing Solar Panels.
Appeal Deadline: March 10, 2006

Acting City Manager/Planning Director Carl Cahill introduced this item to Council. He explained that the Planning Commission report had been modified as requested by Council to include the Planning Commission actions. They had previously been listed as consent calendar items. He reviewed the applications with Council and noted that the Lands of Graham project was for a constrained and challenged lot. The existing house was in the setback and the addition was a minor encroachment.

Council requested that going forward, the Planning Commission vote be included in the notification report.

4. CONSENT CALENDAR

Items Removed: 4.1 (City Clerk Karen Jost),

MOTION SECONDED AND CARRIED: Moved by Warshawsky, seconded by Mordo and passed unanimously to approve the remainder of the Consent Calendar with Mayor Kerr abstaining from consideration of payments to TBI included in Item 4.2 , specifically;

4.2 Review of Disbursements: 2/1/2006 – 3/2/2006 \$672,565.35

- 4.3 Approval of the Town of Los Altos Hills 2005/06 Disadvantaged Business Enterprise (DBE) Program and Adoption of a Resolution Implementing the Program – Reso # 14-06
- 4.4 Approval of Ordinance 443 Adopting the Revised Sewer Connection Fee Schedule (SECOND READING)
 - Motion to Waive Further Reading Motion to Adopt the Ordinance
- 4.5 Resolution Approving First Amended Agreement with Greg Sellers for Professional Services to Recover Tax Equity Allocation Funds (TEA) Reso#15-06
- 4.6 Approval of an Agreement with Clark Pest Control for Year Around Weed Control Services – Reso 16-06
- 4.7 Award of Contract: Log Barrier Installation Project at La Cresta Drive – Reso # 17-06
- 4.8 Resolution Encouraging the Promotion of Health Awareness Reso # 13-06
- 4.9 Award of Contract: Environmental Services for El Monte/Moody Road Pathway Project – Reso # 18-06
- 4.10 Grant of Open Space Easement; Lands of Yanez, 28025 Natoma Road File #290-00-ZP-SD-GD Reso# 19-06
- 4.11 Award of Contract: Engineering Design Services for Pine Lane Sanitary Sewer Diversion Project at Foothill Expressway – Reso # 20-06

Item Removed;

- 4.1 Approval of Minutes: Regular City Council Meeting – January 26, 2006
 Special City Council Meeting – February 2, 2006
 Regular City Council Meeting – February 9, 2006
 Special City Council Meeting – February 16, 2006

City Clerk Jost requested continuation of approval of the February 9, 2006 meeting minutes. Council concurred.

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by O'Malley and passed unanimously to approve the remainder of the meeting minutes as presented.

5. UNFINISHED BUSINESS

5.1 Town Goals

5.1.1 Implementation of Strategic Conservation Goals

Mayor Kerr reported that the draft Energy Efficiency ordinance would be discussed by the Planning Commission at their next meeting.

5.1.2 Bringing Public Education Back to the Hills

Councilmember Jones reported that the Public Education Committee was focused on developing their recommendations to Council regarding the findings that had been presented to the Council at their February 9, 2006 meeting by legal counsel Marguerite Leoni on the subject of public school district reorganization. He expected them to be ready to present to Council at their March 23, 2006 regular meeting.

Following a brief Council discussion, staff was directed to send a Town-wide notice advising the community of the PEC presentation and inviting the residents to attend and provide their input on the issue.

Councilmember Mordo thanked the City Clerk for her assistance to the Bullis Charter School with their production of "Bullis on Broadway." The performance was held in Council Chambers on March 8, 2006.

5.2 Underground Project Status Report

Mayor Pro Tem Warshawsky reported that the Pilot Undergrounding Project was slated to begin construction in April, 2007. The Committee was currently investigating the different vehicles for moving forward with undergrounding utilities for all of the community. Options being considered included: a special tax, formation of assessment districts, or an advisory vote to assess the citizen support for the project. The Committee was requesting authorization to work with the City Attorney and Finance Committee to evaluate the options.

Councilmember Mordo supported the Finance and Investment Committee reviewing the financing options for undergrounding offering that it would be much more cost effective to have a Town-wide project. He noted that the FIC would be presenting a report to Council at a future meeting on the option of the Town becoming a Charter City with taxing authority relating to property transfer taxes. This possible revenue stream and monies realized from the TEA could be a potential source of funds for the undergrounding improvements.

Councilmember Jones suggested that a joint meeting with the FIC and Undergrounding Ad-Hoc Committee was appropriate. He viewed infrastructure as including both the sewer and undergrounding as components. Jones suggested that it was a multi-step process to move forward with infrastructure improvements and a survey of Town residents to assess their level of support for the projects would be appropriate.

Mayor Pro Tem Warshawsky thanked the Council for their comments and noted that he would advise the Ad-Hoc Undergrounding Committee of Council's suggestions.

5.3 Update on General Plan Review

Councilmember O'Malley reported that the General Plan Review Ad-Hoc Committee had been meeting every two weeks and working closely with Project Planner Leslie Hopper. He expected the draft of their review to be forwarded to Council in June or July, 2006.

5.4 Update on Town-Wide Tree Survey

City Engineer/Public Works Director Henry Louie introduced this item to Council. At the January 12, 2006 Council meeting, staff had been directed to hire an arborist to evaluate the Town's trees in the major roadways. To date, 95% of the survey had been completed. Arbor Resources, the Town's consulting arborist, had identified 380 trees that would require pruning or removal in the near future. 15 trees had been classified as a significant risk to the public safety and required immediate action. Notices had been sent to the 15 property owners by the Code Enforcement Officer. A detailed report would be forwarded to Council in April.

5.5 Survey of Local Ordinances for Protecting Trees and Abating Hazardous Trees

Senior Planner Debbie Pedro introduced this item to Council. The direction from Council at the January 12, 2006 Council meeting regarding hazardous trees had been two fold: 1) conduct a field survey and identify potentially hazardous trees in the Town's major roadways and 2) research ordinances in surrounding communities to find out what policies were currently in place to abate hazardous trees. Public Works had initiated their survey as reported by Public Works Director Henry Louie under Agenda Item 5.4. The Planning staff had researched tree ordinances from eleven (11) neighboring cities and towns and Council had before them a chart summarizing their findings. Pedro reviewed the chart with Council. She noted that ordinances pertaining to tree management generally fell into two categories: Tree protection and Public Nuisance/Hazardous Trees. Specifically, regarding eucalyptus trees, several cities addressed the species in their landscaping guide; notably, Portola Valley encouraged residents to remove the trees and other invasive shrubs in their guide. Pedro noted that the Town's Landscape Recommendation Guide was well written and provided a list of invasive plants including blue gum eucalyptus and others which property owners were asked to avoid planting and remove when possible. A copy of the guide was included as an attachment to the supporting staff report before Council. A supplementary report prepared by arborist Barrie D. Coate on recommendations regarding control of eucalyptus trees had been delivered to the Town prior to the meeting and was available for Council at the dais. Mr. Coate had provided the report at no cost to the Town.

Pedro noted that staff was seeking direction from Council and reviewed the staff recommendations to regulate hazardous trees. They included: 1) enhancement of public

education by strongly encouraging residents to remove blue gum eucalyptus trees, encourage the regular pruning and maintenance of blue gum eucalyptus trees, and continue to make available the Town's Landscape Recommendations Guide for residents and disseminate information via the Town newsletter, mailings and the website; 2) adopt an ordinance that required property owners to remove blue gum eucalyptus trees on their property at the time of Site Development approval; and 3) adopt an ordinance that declared all blue gum eucalyptus trees to be a public nuisance and require the immediate removal of all such trees within the Town.

Acting City Manager/Planning Director Carl Cahill noted that staff favored a combination of recommendations 1 and 2; public education and an ordinance that would require removal of eucalyptus at the site development approval. Because of the significant numbers of eucalyptus in the Town, Cahill suggested that immediate removal of all the trees could potentially cause a deforestation effect.

Councilmember Jones noted that the Town's on-going evaluation of trees, maintenance and aggressive pruning of trees would be a third element to the program.

Councilmember Mordo voiced his concern that the approach recommended by staff with a required removal at site development was too slow and suggested that a program to remove the blue gum eucalyptus trees when they reached a certain size/height would be a more appropriate alternative. He preferred an ordinance with mandatory removal requirements of trees of a certain size that threatened public property and safety.

Councilmember Jones offered that it was within the responsibility of the Town to engage in discussions regarding this important issue. He supported reasonable expectations while respecting the rights of private property owners. Jones supported the Town's current program of aggressive pruning of trees in road right-of-ways that posed a threat to the community. He favored institutionalizing the program to an annual program that included the surveying and review of Town's trees and town-wide pruning program. He concurred with the staff recommendation.

Councilmember O'Malley supported the proposal as recommended by staff and amended to include Councilmember Jones' third component of a continuing program of tree pruning and maintenance.

Mayor Kerr favored the staff recommendation as expressed by Cahill.

Mayor Pro Tem Warshawsky concurred noting that it would be very difficult to enforce an ordinance requiring the immediate removal of all eucalyptus trees town-wide. He proposed a Master Plan identifying eucalyptus trees to be removed in road right-of-ways would be helpful.

Acting City Manager/Planning Director Cahill suggested that if Council wished to institutionalize an annual program, they first adopt a policy and subsequently direct staff to contract with an arborist tasking him with the study and development of the Master Plan. This systematic approach would be similar to infrastructure maintenance.

Consensus of Council was to establish an aggressive pruning and removal program for hazardous trees (blue gum eucalyptus) on public property and to continue the program with an annual review as defined by the consulting arborist. Residents would be notified to remove/prune dangerous trees identified by the arborist on private property. An ordinance would be drafted to require property owners to remove blue gum eucalyptus trees on their properties at the time of Site Development approval.

Acting City Manager/Planning Director Cahill noted that a line item for the program would be included in the draft 2006-2007 budget.

Mayor Kerr requested review of a potential Town subsidy to assist homeowners in the removal of trees in the Town right-of-way.

5.6 Arastradero Traffic Signals Update (Mayfield Project)

City Engineer/Director Public Works Henry Louie provided a verbal update to Council on the Mayfield Project. The City of Palo Alto had completed the assessment of their recent traffic study and had concluded that no traffic signals were required at this time. Palo Alto was reviewing alternative options for traffic control. Louie expected to receive their detailed report in the immediate future.

Council requested that resident Kim Cranston be advised of the Palo Alto report.

5.7 Consideration of Amended Agreement for Maintenance by Los Altos Hill's Horsemen's Association (LAHHA) of Town Ring Facilities Owned by the Town of Los Altos Hills and Consideration of 2000 Per Capita Bond Act Application for Ring Improvements

Acting City Manager/Planning Director Cahill clarified that the report would have been forwarded to Council for their review and consideration with or without the Parks and Recreation Committee's recommendation.

Parks and Recreation Supervisor Tod McLemore introduced this item to Council. He summarized his staff report noting that the City Council at their November 17, 2005 meeting unanimously approved the request by the Los Altos Hills Horsemen's Association (LAHHA) for the funding of improvements to the Town Ring using Park Bond funds. To satisfy the Park Bond requirements, amendments had been made to the Maintenance Agreement between the Town and LAHHA. Council had before them a copy of the draft Agreement. The amended Agreement allowed for more public use and control of the Ring. The Agreement had been accepted by the LAHHA membership and signed by the Association's President, Lorie Askew. McLemore acknowledged that if the Council approved the new agreement, he was seeking approval to submit the grant application to the State for funds for the Town Ring improvement project. He noted that the Parks and Recreation Committee at their February 13, 2006, voted unanimously to request the Council to defer their decision on the project.

Mayor Kerr explained that the Parks and Recreation Committee's concern was based on the premise that the Town would spend all of the Park Bond monies on horse related projects to the detriment of other projects. He felt there was no basis for their concern noting that the Council was committed to moving forward with other recreation projects.

Council consensus was to pursue the project and if the governance of the Town Ring was determined by the State to be an issue and an entanglement of funds, they would move forward with monies for the project from the General Fund. Council concurred that the Town Ring was a useful resource and Town asset.

Council welcomed Tod McLemore to the Town and thanked him for his report.

OPENED PUBLIC COMMENT

Jitze Couperus, Page Mill Road, concurred with the Council's support for the Town Ring project.

Diane Waters, Friends of Westwind, requested clarification on the grant monies. She commented that the Parks and Recreation Committee had rejected using funds for the Town Ring and had previously supported a new arena at Westwind Barn to support the Year Round Riding Program. Waters had contacted the State and did not agree that the Friends Lease would prohibit the use of Park Bond monies at Westwind.

Lorrie Askew, President, LAHHA thanked the City Council for their support. She offered that the Association had a full calendar of events and the expectation was that they would draw new people to the Ring. Askew was looking forward to the Ring improvements that would make it a safe and viable asset for the Town.

CLOSED PUBLIC COMMENT

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Warshawsky and passed unanimously to approve the amended Maintenance Agreement between the Town and the Los Altos Hills Horsemen's Associating and to direct the City Manager to submit the Park Bond application to the State of California.

Staff was directed to return to Council if there was any expectation of a delay in funding.

6. NEW BUSINESS

6.1 Request for Approval of Professional Services Agreement with Avery Associates a Management Consulting Firm

City Attorney Steve Mattas reported that the City Manager Recruitment Council Subcommittee had received four proposals from recruitment firms and interviewed three firms and recommended Avery & Associates for the reasons outlined in the staff report. Mattas reviewed the scope of services and applicable costs.

Councilmember Jones acknowledged that he and Councilmember Mordo as the City Manager Subcommittee had been tasked with the selection of a recruitment/executive search firm. He thanked the City Attorney for his assistance with the process. The Subcommittee recommended approval of the Professional Services Agreement with Avery & Associates for consulting services relating to the recruitment of a city manager. He explained that they were recommending the firm on a number of factors, including the Firm's specialization in public sector executive searches, Firm's local presence and the Firm's history of successful local executive searches. He reviewed the scope of services to be provided by the Firm that were included in the staff report.

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Warshawsky and passed unanimously to approve the Professional Services Agreement between the Town of Los Altos Hills and Avery & Associates.

6.2 Discussion of Stanford Funding of the S1-C Trail Segment in Los Altos Hills

Mayor Kerr explained that the item before them was an information item. He reported that he, Acting City Manager Cahill and City Engineer Louie had met with Stanford representatives to discuss the Trail segment and the budget to upgrade the S1-C trail.

Acting City Manager Cahill advised Council that Stanford's technical staff was in the process of scheduling a series of meetings with City Engineer Henry Louie to discuss construction of the trail. Louie had been tasked with the project. Options for the trail included: the Town receiving funds for the construction project and overseeing the trail construction as a Town project, or, an agreement with Stanford to build the trail to the Town's specifications.

Councilmember O'Malley expressed his concern with the trail alignment and safety issues regarding pedestrian and bicyclist safely crossing the street at Page Mill and Arastradero.

6.3 Consideration of a Joint City Council Meeting – Town of Los Altos Hills and City of Los Altos

The City Clerk advised the Council that the City of Los Altos had suggested two dates for the annual Joint City Council meeting: Monday, May 8 or Tuesday, May 16. The City of Los Altos would host the meeting at the Los Altos Library or Hillview Center. The final location was yet to be determined.

Following a brief Council discussion, Council consensus was to schedule the Joint City Council meeting for Monday, May 8, 2006.

6.4 Consideration of Event Date for the Los Altos Hills Volunteer Dinner

The City Clerk requested Council consideration of deferring the Annual Volunteer Recognition Dinner to a date in early Fall citing the numerous events scheduled for the upcoming Spring and Summer months.

Following a brief discussion, Council consensus was to defer the event to the Autumn. The City Clerk advised that she would return to Council at a future meeting to choose a date for the event that would be amenable to Council's schedule.

7. REPORTS FROM COMMITTEES, SUB-COMMITTEES, AND COUNCILMEMBERS ON OUTSIDE AGENCIES

7.1 Status Report by Councilmember Jones of the Ad Hoc Committee on Recreational Facilities on Discussions with the Friends of Westwind

Mayor Pro Tem Warshawsky and Councilmember O'Malley recused themselves from participation in discussion of the item and stepped down from the dais.

Councilmember Jones, Ad Hoc Committee on Recreational Facilities, acknowledged that he was before the Council with the final recommendation from the Committee on recreational facilities at Westwind Barn. The Committee may convene meetings on the review of other facilities, but he expected this to be the final report out on Westwind Barn.

He provided an overview of the Committee's assessment process. Jones noted that they had proceeded with a thoughtful, diligent and methodical review of the Barn over a period of three months. He reviewed the Committee's goals: 1) minimize disruption to the current users of the Barn; 2) maintain and expand the current Parks and Recreation riding programs at the Barn; and 3) to "tap" into money for restoration of the Barn.

Jones explained that the first stage of the review had been to engage in discussions with people familiar with the Barn's history, governance and issues. A preliminary report of their findings was presented to Council at the January 12, 2006 meeting and Council direction had been sought. The Committee reviewed their mission goals with Council at that time. Council approved the next step that involved a meeting with Friends to discuss the issues that had been identified.

The meeting with Friends had been convened and the outstanding issues and goals of the Council for the Barn were discussed with the Friends of Westwind. He explained that he was disappointed with their response to Council's concerns and offered that they believed there was no need for a substantive change in the governance of the Barn and that the issues had been manufactured.

Councilmember Jones read into the record the following statement that had been endorsed by the Ad Hoc Committee on Recreational Facilities.

"We have determined that the current organizational structure for managing the facilities and programs at Westwind Barn is dysfunctional and inconsistent with use of public funds, fundraising, or maintaining or enhancing community programs at the Barn. We therefore recommend to the City Council that an alternative governance structure be imposed more consistent with the management of other horse barns in the regions."

Jones reviewed the statement and explained that having a private membership organization using public funds was not consistent with using Park Bond funds; nor was the use of tax payer funds (General Fund monies) for renovation of the Barn appropriate without the Town having the ultimate say in the programs at the Barn. Regarding fund raising, Jones suggested that the Supporters of Westwind Community Barn had been very successful and he believed they could continue in their efforts but the donor base most likely sought reassurance that the Barn was a true community asset with the ultimate decision making authority with the Town. Jones offered that the responsibility of scheduling the numerous programs at the Barn should reside with the Barn Manager who would report to the Parks and Recreation Supervisor.

Jones continued with his prepared statement and explained that the Ad Hoc Committee recommended a new governance at the Barn be formed with the following structure:

“We recommend this governance structure include the following: (1) A management service contract rather than a lease (2) annual review and renewal rather than a 10 year term (3) priority for Los Altos Hills Town Parks and Recreation Programs and residents (4) Direct reporting of the Barn Manager to the Parks and Recreation Department of the Town of Los Altos Hills.”

Jones explained that this format would allow the Friends or another organization to manage the Barn for the Town rather than have rights as a Leasee. The annual review component was similar to agreements for management of Barns in the area. Jones reiterated the importance for the Parks and Recreation programs and residents to have priority at the Barn and explained that reporting by the Barn Manager to the Town was critically important. He offered that this was an optimum structure. It would permit the Barn Manager to make decisions without the Committee the Barn Manager reported to having objections. He acknowledged that it had been difficult for the Friends to be objective when they were both users and managers.

Jones concluded the reading of his prepared statement:

“We are confident that an alternative structure can be designed that will attract the confidence of the Town leaders, voters, taxpayers, and donor communities. In the meantime, we urge the City Council to continue to fund the current Parks and Recreation riding lesson programs at Westwind Barn.”

Councilmember Mordo suggested that the Barn Manager could be an employee of the Town or an independent contractor and the management services agreement could be with the Barn Manager with the option to have a contract with the Friends to manage the boarding facilities.

Jones concurred that there were several models that could be employed for the management service agreement with reporting to the Town for clear direction on issues that would ultimately be the responsibility of the City Manager.

Mayor Kerr thanked Councilmember Jones for his efforts. He agreed that it was important to have a “strong” Barn Manager with a one year agreement who reported directly to the Town.

OPENED PUBLIC COMMENT

Sharon O’Malley, Edgerton Road, Friends of Westwind Board President, addressed Council. She thanked them for their comments and suggestions. She noted that it appeared that the Council had already made a determination on the governance of the Barn and reminded Council that the Friends had a Lease for the facility. O’Malley questioned if Council wanted to discuss the Lease Agreement?

Mayor Kerr responded that the Lease was not to be discussed at this time.

O’Malley introduced Patty Roche, resident and Friends of Westwind member.

Roche presented a PowerPoint presentation titled “Westwind Community Barn, Friends of Westwind, March 9, 2006.” She reviewed the Friends charter, membership, and fees noting that the Friends was a non-profit, social organization chartered with the lease, management and operation of the Barn for its membership. The organization did not discriminate and had never rejected a prospective member. Los Altos Hills residents with or without horses, non-residents from surrounding communities, local families, neighbors, 4-H members, Pony Club members and instructors were all members of Friends of Westwind. The assessed fees went into a general fund that covered: upkeep, maintenance of the facilities, improvements to property and administrative costs.

Roche identified the reasons she believed supported the continuation of Friends of Westwind in their current capacity as Leasee of the facility that included: 1) Safety- no liability claims had been filed since 1977 when the Friends took over management of the Barn. She believed that this was due to the close working relationship Friends had with Parks and Recreation and other groups to ensure the safety of visitors, boarders and riders. 2) Friends did not benefit financially from the management of the facilities and all funds went into the operation of the Barn and many volunteer hours were donated by Friends to maintain the facility. 3) The 2004 cost to run Westwind excluding renovation costs was \$315,000 and today’s projected costs were much higher. 4) Numerous community events were held each year at Westwind Barn. 5) Other organizations were permitted to utilize Westwind facilities for programs or events. Roche explained that the Board in combination with the Barn Manager reviewed the proposals with the following considerations: liability insurance, facility condition and requirements, staffing number, of attendees, length of event, potential date conflicts, costs, and security.

Roche offered a response to the issue topics addressed by Councilmember Jones. She stated that the Friends of Westwind had been run as a healthy viable business for twenty eight years and never required a loan to continue operation, had an excellent credit and safety rating with no outstanding debts. Roche advocated that the core corporate

governance was in place with yearly election of board members, open debate on issues and maintenance of meeting minutes.

Roche stated that any organization had issues and these were often debated behind closed doors. The Friends of Westwind had an open-door policy and disagreements right or wrong were sometimes aired in public.

Regarding the lease vs. management services agreement issue as it related to Park Bond funds, Roche offered that their investigation had shown that the Lease would not interfere with the Town obtaining Park Bond monies. The Town was the owner of the Westwind property and was responsible for the major improvements. Roche used an example of Park Bond monies used by Menlo Park for an aquatics center that was being managed by a private sports club with a lease. Council commented that they would have to investigate the timing of the lease for the swim facility and the authorization of Park Bond monies.

Roche reviewed the current Lease for Westwind. She explained that the ten (10) year Lease was negotiated two years ago with input from the Town and Friends. The longer Lease had been approved so that public opinion and changing politics would not affect major capital improvement projects and fund raising efforts. The Friends of Westwind proposed that no amendment to the Lease should be made at this time unless the Park Bond funds were in jeopardy. They supported a joint effort by the Town and Friends to present a case for the release of the funds if they were entangled. Friends advised that if any amendments were made to the Lease, they should be minor and only to ensure the funds.

Roche explained that an annual review of the Friends was currently in place and occurred when the Friends renewed their Conditional Use Permit each year with Council. Friends were amenable to an additional review each year by the City Manager and Parks and Recreation Department to discuss agreed upon milestones in relation to community programs.

Roche spoke to the current perception that non-residents were “running” Friends of Westwind. She reviewed the Board membership and offered that the Board was designed to ensure a Los Altos Hills majority with a Town resident serving as President. Roche added that Los Altos Hills’ residents had priority for stalls and the feeding pasture. The sublet list was posted outside the stables and available for public review. She believed the wait list at other facilities for rental space was longer and most applications for stall rentals at Westwind were fulfilled within months of the application.

Roche noted that the Town did currently play a role in the hiring of the Barn Manager with the City Manager included in the employment process. Roche suggested that the proposal to have the Barn Manager report to Parks and Recreation would void the liability insurance.

Roche explained that the Conditional Use Permit for Westwind limited the number of events that could be held at Westwind each year and that insurance and liability restrictions also limited the number and size of horse-related events held at the Barn. She

offered that Friends were receptive to additional events but that users needed to be apprised of the events and all events needed to meet the liability guidelines.

Roche summarized her presentation by stating that the Friends current governance had worked successfully for twenty eight years. The Friends did not agree that there was a problem with public funding, fundraising or the maintenance of public programs by the current governance. The Friends did not support any changes to the current Lease and advised that an annual renewal would generate uncertainty for staff, boarders and programs at Westwind. Parks and Recreation programs and Town residents were receiving priority at Westwind. The Barn Manager had historically worked with the Parks and Recreation Department and would continue to do so.

Councilmember Jones requested clarification from Roche regarding her presentation. He questioned if the Friends had rejected all of the requests suggested by the Council.

Roche responded that the Friends had a Lease in place and worked diligently to ensure that all users needs were meet. She believed they had responded to the issues that had been presented.

Mayor Kerr explained that he and Councilmember Jones had been tasked with “fixing” the current issues at Westwind Barn and had undertaken the project with no existing bias and with no agenda. Neither Councilmember had any vested interest in the Barn or owned horses or boarded at the facility. During their background investigation of the facility, the issues identified by Councilmember Jones had surfaced and the Committee had come to the conclusions expressed by Councilmember Jones. The Mayor concurred with the Ad-Hoc Committee’s recommendation statement.

Jones offered that the financial needs of the facility was an important issue. Council had not received the facility report from the outside consultant regarding renovation needs and associated costs at the Barn but he advised that under the current Lease none of the identified funding sources (Park Bond monies, Supporters funds, or tax payer money) would be available to the Friends.

Councilmember Mordo expressed his surprise with the Friends response and that there had been so much miscommunication regarding this issue. He noted that he had come to similar conclusions as Jones and Kerr regarding the governance at Westwind during his earlier investigation and was surprised there was no movement by the Friends. Mordo suggested a solution that included restructuring the Lease to a management service contract and a contract with the Friends of Westwind that would protect a majority of what they do.

Roche offered that the Friends had not received a specific proposal and she hoped there would be an opportunity for more dialogue.

Jitze Couperus, Page Mill Road, explained that he and his wife Nancy had been founding members of the Friends of Westwind. The Friends had been a tremendous success and he credited them with saving the Barn. He suggested that the situation had changed and

there no longer was a threat that the Barn would be sold and they were no longer needed. Couperus stated that the Friends of Westwind motivations were “pro-bono Westwind” and a “pro-bono publico” structure was needed today.

Mike O'Malley, Edgerton Road, speaking as a resident, commented that he had been a member of the Friends of Westwind for fourteen years and had supported the facility with many volunteer hours. He did not agree with the identification of the Friends of Westwind as dysfunctional. Friends had served the Town well and allowed the Barn to thrive without any time or cost to the Town. During the time the Friends had managed the Barn, the 4-H Club, Pony Club, and Parks and Recreation Programs all had access to the Barn Facility. He suggested that the Town consider working with the Friends rather than change the management structure. He believed a change would be time consuming and costly. O'Malley noted that managing a Barn was a difficult operation and that the Friends routinely did fund-raising for improvements at the Barn and numerous volunteer efforts might disappear with a professional management operation. He cautioned Council that the loss of Friends could result in a different financial paradigm that might not be as favorable to the Town. O'Malley suggested that before the Council considered terminating the Lease with Friend, they look for an acceptable “middle ground” to work on.

Zsuzsanna Molnar, Zappetini Court, Friends of Westwind member, thanked the Council for their comments and commented that there were few community owned Barns in the United States. Barns were more typically profit centers and she believed it was difficult to compare them. She advised that the Friends welcomed the addition of new community programs at Westwind and had been good stewards of the Barn, but were concerned about the adversarial tone of some regarding Westwind. She hoped there would be another opportunity to discuss the issues.

Dean Warshawsky, Altamont Road, speaking as a resident, commented that this was a pivotal point for the Town. He noted that there were no community assets in Town with the exception of the Little League fields and Westwind Barn. Warshawsky explained that the City Council had not been involved with the Barn in prior years and had relied on the Friends but it was now time for the Town to become engaged. He supported the Town taking a proactive position and being involved at Westwind.

Andy Danver, Robleda Road, stated that he was appalled at how little he knew about what issues were before Council. He suggested that the key issues being discussed were not shared with the community at large.

John Harpootlian, Anacapa, noted that the City Council and Westwind Barn Board meetings were broadcast on Hills2000 and the site was a good source for up to date information.

Sandy Humphries, Fremont Road, offered that the Friends had worked hard to keep the Barn alive and vital and it was difficult to see everything being taken away from them.

She suggested working with them to resolve the issues. Humphries offered that exposure of the Barn and its many assets and an additional arena would be positive steps to a solution.

Friend of Westwind, long term member, stated that she was frustrated with the current situation. The Friends had sought a long term lease agreement to have the opportunity to improve the facility. She believed there was a lot of miscommunication regarding the issues.

Ginger Summit, Lennox Way, stated that the Town was accepting the responsibility for Westwind and historically this had been passed off. She noted that this was a Town asset and the Town's responsibility.

Friends of Westwind member, nonresident, explained that she had been a boarder at Westwind Barn. She suggested that the Council review public barns. She noted that the Friends of Westwind were chartered to administer the Lease.

CLOSED PUBLIC COMMENT

Mayor Kerr advised that a unanimous vote of the three Councilmembers was required to move forward.

Councilmember Mordo explained that he had become involved with Westwind Barn as a member of the Supporters. He had been hopeful that the issues at the Barn could be resolved amicably with a different model for governance. Mordo noted that he had presented his plan for consideration and it had not been recognized as a viable solution and he had stepped back from discussion of the Barn. Now that the Ad-Hoc Committee had completed their assessment, he believed his suggestions had been more moderate and he offered to renegotiate the governance issue with the Friends. He would like Friends to manage the boarding program at Westwind Barn under the umbrella of a Barn Manager and rules established by the Town. He acknowledged that the Friends had volunteered many hours and had a lot of sweat and financial equity in the Barn and it would be unfortunate to lose their support.

Councilmember Jones offered that there was no action item before Council and the Ad-Hoc Committee had presented their report and received comments.

Mayor Kerr requested consideration of interim funding for the Year Round Riding Program. Council consensus (Kerr, Jones, Mordo) was that they would approve interim funding and advised staff to include it on the March 23, 2006 agenda as a consent calendar item.

Mayor Kerr suggested that if there were to be a re-structuring of the membership of the Ad-Hoc Committee, it be agendaized for discussion at a future meeting.

7.2 Consideration of Sponsorship of Earth Day Activities – Chris Vargas, Pathways Committee

Council had before them a funding request from Chris Vargas for supplies for the Earth Day event organized by the Pathways Committee. Ginger Summit, Pathways Committee Chair, advised Council that the Committee hoped to resurrect the event as an annual Pathways Clean-Up event.

MOTION SECONDED AND CARRIED: Moved by O'Malley, seconded by Warshawsky and passed unanimously to approve the request for \$2,000 by the Pathways Committee.

COUNCIL MEMBER REPORTS

Councilmember O'Malley reported that he, Councilmember Mordo, Acting City Manager Cahill and City Engineer Louie were scheduled to meet with City of Los Altos Councilmember representatives and staff next week to discuss the sewer agreement.

Councilmember O'Malley reported that he had attended the Parks and Recreation Committee's regular meeting. They were reviewing options for sign holders and specific sign locations to provide some conformity for event notices posted in Town.

Councilmember O'Malley advised that he had been elected Chair of the SCVWD Lower Peninsula Flood Control and Watershed Advisory Board for a second term. He noted that he would keep the Council apprised of the ordinance the District was drafting that related to creeks and construction.

Mayor Kerr reported that the Board of Supervisors had voted to support the TEA efforts.

Mayor Pro Tem Warshawsky reported that he engaged in recent discussions with Dinah Hunt, Hidden Villa Executive Director, and she had expressed an interest in co-sponsoring more events with the Town. A summer concert series has been proposed.

Councilmember Mordo reported that the Community Relations Committee was working on a proposal for Presentation of Colors by local youth for Council meetings. Their recommendation would be forwarded to Council at a future meeting.

Councilmember Mordo reported that a Library Ad-Hoc Committee was being formed to put forward a proposal for the use of the Whipple Estate funds for a new wing at the Los Altos Library. Members included representatives from the JPA, Friends of the Library, NCLA, Library Commission and the two City Councils.

Councilmember Mordo reported that the Finance and Investment Committee had scheduled their presentation on Charter Cities for the second Council meeting in April. He advised Council that a new financial report had been prepared by Administrative Services Director Sarah Ragsdale with input from the Committee. The report would be reviewed with Council at the next meeting and then included as a regular item on the

agenda on a monthly basis. He acknowledged Ragsdale for her efforts and praised the new reporting tool.

Councilmember Mordo reported that the Emergency Preparedness Committee would be making a presentation relating to proposed improvements to emergency programs in Los Altos Hills at a future Council meeting. The presentation would be given by Safety Officer Steve Garcia.

Councilmember Mordo requested Council consideration to cancel the first meeting in April. Council briefly discussed the request and noted that it was Spring break for the Los Altos School and Palo Alto Unified School District. Council consensus was to cancel the meeting. They directed the clerk to agendize the meeting cancellation for formal action at the March 23, 2006 meeting.

8. STAFF REPORTS

8.1 City Manager

8.2 City Attorney

8.3 City Clerk

8.3.1 Report on Council Correspondence

9. COUNCIL-INITIATED ITEMS

9.1 Consideration of City Council Request to the Los Altos Hills County Fire District to Increase their Annual District Wide Fuel Management Program (S.P. McClenahan –contractor) – Councilmember Mordo

Councilmember Mordo requested Council authorization to approach the Los Altos County Fire District on behalf of the Council to request consideration of the District increasing their chipping program to several times a year. Council concurred with his request.

9.2 Consideration of Letter in Support of Santa Clara Valley Water District Enabling Act Amendments – Councilmember O'Malley

Councilmember O'Malley introduced this item. He explained that the Santa Clara Valley Water District and Santa Clara County were seeking relief from a thirty eight year old arrangement that required the County to approve the District's annual budget. O'Malley noted that both bodies agreed that the arrangement no longer served the interests of the community and by removing the County's budgetary review it would be consistent statewide with other independent districts. The District was requesting a letter in support of the Santa Clara Valley Water District Act Amendment. O'Malley introduced Candice Kwok, SCVWD, who was present to answer questions from the Council

Kwok thanked the Council for the opportunity to explain the issues surrounding the District's request. She noted that both the County and District supported AB 2435

sponsored by Assemblyman Joe Coto. At this time, the District is the only State special district where one elected body (County Board of Supervisors) oversees another elected body (Santa Clara Valley Water District Board of Directors). Kwok reviewed the possible liability issues to the County in the event of a flood with this current arrangement. She requested the Council's support for AB2435.

MOTION SECONDED AND CARRIED: Moved by O'Malley, seconded by Mordo and passed unanimously to authorize the Mayor to send a letter on behalf of the Council to Assemblyman Joe Coto in support of AB2435.

10. PRESENTATIONS FROM THE FLOOR

Dot Schreiner, Saddle Mountain Drive, congratulated the Mayor and Council on their recent efforts to reverse the small percentage of property tax revenue the Town receives. She spoke to the previous failed efforts by former Councils to correct the inequity.

Sandy Humphries, Fremont Ave, expressed her concern with a draft ordinance being circulated for comment by the Santa Clara Valley Water District that would give more control of the creeks to the jurisdiction. She wanted the Town to control the creeks and watersheds.

Councilmember O'Malley explained that at the SCVWD Lower Peninsula Flood Control meeting, the draft ordinance had been discussed. He noted that the ordinance would give the Town jurisdiction over construction near a creek.

Mayor Kerr reopened the Presentations from the Floor at 10:00 p.m. to accept testimony.

Karen Lemes, resident, commented on agenda item 4.6. She requested that the Town's contractor, Clark Pest control, provide her with the amount of herbicide that they use in the course of their work within the Town and the cost. She hoped the contractor would be responsive to her request. She requested that the Town include the spraying schedule on the Town's website calendar.

11. PUBLIC HEARINGS

- 11.1 Consideration of Rezoning of Unincorporated San Antonio Hills Area: 82 Parcels (19.99 Acres) East of the Town of Los Altos Hills and South of the City of Los Altos, Generally between Magdalena Avenue and Eastbrook Avenue including Spalding Avenue, Par Avenue, Winding Way, Putter Avenue, and Putter Way and Consideration of Adoption of Negative Declaration: File #234-05-ZP_

Senior Planner Debbie Pedro introduced this item to Council. She presented a PowerPoint presentation on the application. Pedro reviewed a map of the Town and vicinity that included urban pockets in the unincorporated area of Santa Clara County that fell within the Town's Sphere of Influence (Urban Service Area). The San Antonio Hills area was the largest unincorporated island (pocket) adjacent to the Town. The

average size parcel was 1.2 acres except for 82 parcels in the upper portion of San Antonio Hills within the Eastbrook-Magdalenia neighborhood where the average lot size was .25 acre. Pedro noted that the majority of San Antonio Hills was prezoned by the Council in 2001 except for the Eastbrook-Magdalenia area. The Town committed to prezone this area when it adopted the 2002 Housing Element. This action satisfied the State's requirement to provide a variety of housing density and increase to the Town's housing supply.

Pedro concluded her report by explaining that pre zoning would not have any force or affect until the properties were officially annexed by the Town. Current County zoning regulations would apply to the area until an annexation of the area.

Acting City Manager/Planning Director Carl Cahill reviewed the options (recommendations) before Council. They included 1) adoption of the Negative Declaration and introduction of an ordinance to prezone the Eastbrook-Magdalenia neighborhood to R-A (Residential-Agricultural-Zoning District; 2) adoption of the Negative Declaration, introduction of the ordinance to prezone the Eastbrook-Magdalenia neighborhood to the R-A Zoning District and direction to staff to initiate annexation of the subject area; and 3) uphold the Planning Commission's recommendation and deny the pre zoning application.

Cahill explained that if Council chose to deny the application, the State would need to be advised of the action and the Town would be at risk of losing State certification of its Housing Element.

Cahill reviewed the Planning Commission's recommendation. He noted that they had voted 3-2 to recommend denial of the application based on their concerns that the lots were less than an acre and the fear that the Town would be approached in the future to approve applications for similarly sized parcels. Cahill explained that the pre zoning of the Eastbrook-Magdalenia parcels would not obligate the Town to approve smaller parcels.

Council discussion ensued. Cahill in response to a Council question reviewed the house size limits that would be imposed on the Eastbrook-Magdalenia parcels if annexed noting that the County would approve 3,500 square feet while the Town would approve 2,295 square feet of floor area. If annexed, any new construction would be required to meet the Town's zoning codes. The smaller lots, if annexed, would become legal non-conforming lots.

Cahill reviewed the annexation process with Council. He explained that the Town's annexation policy required an analysis of fiscal impacts including impacts to services and the areas infrastructure. Cahill noted that the majority of the parcels were on sewer.

OPENED PUBLIC HEARING

Dot Schreiner, Saddle Mountain Drive, expressed her concern regarding remodels of homes on substandard lots. She suggested analyses of the existing development in the area would be appropriate to evaluate the impact of any annexation on the Town.

Albert Conrad, Spalding Avenue, explained that he owned two .25 acre parcels in the area. He questioned if both parcels would still be buildable.

Council explained that the two separate parcels would be buildable.

CLOSED PUBLIC HEARING

Mayor Kerr offered that the Town had advised the State that they would annex the subject area and in discussions with the County Board of Supervisors relating to the TEA, Kerr had suggested that the Town would place a high priority on consideration of annexing the unincorporated pockets. He supported Council approving the administrative action of rezoning the subject area.

Councilmember Mordo offered that it would be appropriate for the Council to move forward with the second recommendation and initiate the process of annexation.

Councilmember O'Malley questioned the need for sewer connections for the parcels. City Engineer Henry Louie offered that 92% of the developed lots were connected to sewers.

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by Mordo and passed by the following roll call vote to adopt the Negative Declaration, introduce the ordinance rezoning the Eastbrook-Magdalena neighborhood to the R-A Zoning District and direct staff to initiate annexation of the subject area conditioned on availability of sufficient sewer capacity connections in the Los Altos Sewer Basin.

AYES: Mayor Kerr, Mayor Pro Tem Warshawsky, Councilmember Jones,
Councilmember Mordo and Councilmember O'Malley
NOES: None
ABSENT: None
ABSTAIN: None

Council adjourned to Closed Session at 10:05 p.m.

12. CLOSED SESSION

CLOSED SESSION: CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Pursuant to Government Code Section 54956.8

Property: 27210 Altamont Road (APN 182-21-016)

Agency Negotiators: Carl Cahill and Steve Mattas

Negotiating Parties: Town of Los Altos Hills and Verizon Wireless by Cellco Partnership

Under Negotiation: Terms and Conditions for Lease of Property

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to subdivision (c) of Section 54956: 1 case

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Added to the agenda by the City Council as an urgency item)

Council Reconvened to Open Session at 10:55 p.m.

Report out on Closed Session items: No action was taken. Direction was given to staff.

13. ADJOURNMENT

There being no further business, the City Council meeting was adjourned by consensus of the Council at 10:55 p.m.

Respectfully submitted,

Karen Jost
City Clerk

The minutes of the March 9, 2006 City Council meeting were approved as presented at the March 23, 2006 City Council meeting.